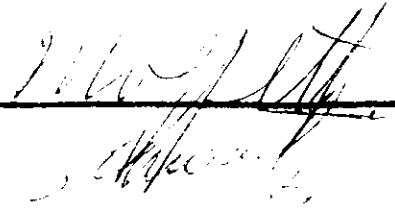


S. J. R. NO.

16

BY:



A JOINT RESOLUTION

PROPOSING an amendment to Section 49-b, Article III of the Constitution of Texas so as to authorize an increase in the total amount of bonds or obligations that may be issued by the Veterans' Land Board to Three Hundred Fifty Million Dollars (\$350,000,000.00); providing for the issuance of said bonds or obligations and the conditions relating thereto and the use of the Veterans' Land Fund; and providing for an election and the issuance of a proclamation therefor.

BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

Section 1. That Section 49-b, Article III of the Constitution of Texas, be amended so that the same will hereafter read as follows:

"Section 49-b. By virtue of prior Amendments to this Constitution, there has been created a governmental agency of the State of Texas performing governmental duties which has been designated the Veterans' Land Board. Said Board shall continue to function for the purposes specified in all of the prior Constitutional Amendments except as modified herein. Said Board shall be composed of the Commissioner of the General Land Office and two citizens of the State of Texas, one of whom shall be well versed in veterans' affairs and one of whom shall be well versed in finances. One such citizen member shall, with the advice and consent of the Senate, be appointed biennially by the Governor to serve for a term of four years; but the members serving on said Board on the date of adoption hereof shall complete the terms to which they were appointed. In the event of the resignation or death of any such citizen member, the Governor shall appoint a replacement to serve for the unexpired portion of the term to which the deceased or resigning member had been appointed. The compensation for said citizen members shall be as is now or may hereafter be fixed by the Legislature; and each

shall make bond in such amount as is now or may hereafter be prescribed by the Legislature.

"The Commissioner of the General Land Office shall act as Chairman of said Board and shall be the administrator of the Veterans' Land Program under such terms and restrictions as are now or may hereafter be provided by law. In the absence or illness of said Commissioner, the Chief Clerk of the General Land Office shall be the Acting Chairman of said Board with the same duties and powers that said Commissioner would have if present.

"The Veterans' Land Board may provide for, issue and sell not to exceed Three Hundred Fifty Million Dollars (\$350,000,000.00) in bonds or obligations of the State of Texas for the purpose of creating a fund to be known as the Veterans' Land Fund, Two Hundred Million Dollars (\$200,000,000.00) of which have heretofore been issued and sold. Such bonds or obligations shall be sold for not less than par value and accrued interest; shall be issued in such forms, denominations, and upon such terms as are now or may hereafter be provided by law; shall be issued and sold at such times, at such places, and in such installments as may be determined by said Board; and shall bear a rate or rates of interest as may be fixed by said Board but the weighted average annual interest rate of all the bonds issued and sold in any installment of bonds may not exceed four and one-half percent (4½%). All bonds or obligations issued and sold hereunder shall, after execution by the Board, approval by the Attorney General of Texas, registration by the Comptroller of Public Accounts of the State of Texas, and delivery to the purchaser or purchasers, be incontestable and shall constitute general obligations of the State of Texas under the Constitution of Texas; and all bonds heretofore issued and sold by said Board are hereby in all respects validated and declared to

be obligations of the State of Texas. In the event of default in the payment of principal or interest on any such bonds, the Legislature shall appropriate a sufficient amount to pay the same.

"In the sale of any such bonds or obligations, a preferential right of purchase shall be given to the administrators of the various Teacher Retirement Funds, the Permanent University Funds, and the Permanent School Funds.

"Said Veterans' Land Fund shall consist of any lands heretofore or hereafter purchased by said Board, until the sale price therefor, together with any interest and penalties due, have been received by said Board (although nothing herein shall be construed to prevent said Board from accepting full payment for a portion of any tract) and of the moneys attributable to any bonds heretofore or hereafter issued and sold by said Board which moneys so attributable shall include but shall not be limited to the proceeds from the issuance and sale of such bonds; the moneys received from the sale or resale of any lands, or rights therein, purchased with such proceeds; the moneys received from the sale or resale of any lands, or rights therein, purchased with other moneys attributable to such bonds; the interest and penalties received from the sale or resale of such lands, or rights therein; the bonuses, income, rents, royalties, and any other pecuniary benefit received by said Board from any such lands; sums received by way of indemnity or forfeiture for the failure of any bidder for the purchase of any such bonds to comply with his bid and accept and pay for such bonds or for the failure of any bidder for the purchase of any lands comprising a part of said Fund to comply with his bid and accept and pay for any such lands; and interest received from investments of any such moneys. The principal and interest on the bonds heretofore and

hereafter issued by said Board shall be paid out of the moneys of said Fund in conformance with the Constitutional provisions authorizing such bonds; but the moneys of said Fund which are not immediately committed to the payment of principal and interest on such bonds, the purchase of lands as herein provided, or the payment of expenses as herein provided may be invested in bonds or obligations of the United States until such funds are needed for such purposes.

"All moneys comprising a part of said Fund and not expended for the purposes herein provided shall be a part of said Fund until there are sufficient moneys therein to retire fully all of the bonds heretofore or hereafter issued and sold by said Board, at which time all such moneys remaining in said Fund, except such portion thereof as may be necessary to retire all such bonds which portion shall be set aside and retained in said Fund for the purpose of retiring all such bonds, shall be deposited to the credit of the General Revenue Fund to be appropriated to such purposes as may be prescribed by law. All moneys becoming a part of said Fund thereafter shall likewise be deposited to the credit of the General Revenue Fund.

"When a Division of said Fund (each Division consisting of the moneys attributable to the bonds issued and sold pursuant to a single Constitutional authorization and the lands purchased therewith) contains sufficient moneys to retire all of the bonds secured by such Division, the moneys thereof, except such portion as may be needed to retire all of the bonds secured by such Division which portion shall be set aside and remain a part of such Division for the purpose of retiring all such bonds, may be used for the purpose of paying the principal and the interest thereon, together with the expenses herein authorized, of any other bonds heretofore or hereafter issued and sold by said Board. Such use shall be a matter

for the discretion and direction of said Board; but there may be no such use of any such moneys contrary to the rights of any holder of any of the bonds issued and sold by said Board or violative of any contract to which said Board is a party.

"The Veterans' Land Fund shall be used by said Board for the purpose of purchasing lands situated in the State of Texas owned by the United States or any governmental agency thereof, owned by the Texas Prison System or any other governmental agency of the State of Texas, or owned by any person, firm, or corporation. All lands thus purchased shall be acquired at the lowest price obtainable, to be paid for in cash, and shall be a part of said Fund. Such lands heretofore or hereafter purchased and comprising a part of said Fund are hereby declared to be held for a governmental purpose, although the individual purchasers thereof shall be subject to taxation to the same extent and in the same manner as are purchasers of lands dedicated to the Permanent Free Public School Fund.

"The lands of the Veterans' Land Fund shall be sold by said Board in such quantities, on such terms, at such prices, at such rates of interest and under such rules and regulations as are now or may hereafter be provided by law to Texas veterans who served not less than ninety (90) continuous days, unless sooner discharged by reason of a service-connected disability, on active duty in the Army, Navy, Air Force, Coast Guard or Marine Corps of the United States between September 16, 1940, and March 31, 1955, and who upon the date of filing his or her application to purchase any such land is a citizen of the United States, is a bona fide resident of the State of Texas, and has not been dishonorably discharged from any branch of the Armed Forces above enumerated and

who at the time of his or her enlistment, induction, commissioning, or drafting was a bona fide resident of the State of Texas. The foregoing notwithstanding, any lands in the Veterans' Land Fund which have been first offered for sale to veterans and which have not been sold may be sold or resold to such purchasers, in such quantities, and on such terms, and at such prices and rates of interest, and under such rules and regulations as are now or may hereafter be provided by law.

"Said Veterans' Land Fund, to the extent of the moneys attributable to any bonds hereafter issued and sold by said Board may be used by said Board, as is now or may hereafter be provided by law, for the purpose of paying the expenses of surveying, monumenting, road construction, legal fees, recordation fees, advertising and other like costs necessary or incidental to the purchase and sale, or resale, of any lands purchased with any of the moneys attributable to such additional bonds, such expenses to be added to the price of such lands when sold, or resold, by said Board; for the purpose of paying the expenses of issuing, selling, printing, and delivering any such additional bonds; and for the purpose of meeting the expenses of paying the interest or principal due or to become due on any such additional bonds.

"All moneys attributable to the bonds issued and sold pursuant to the Constitutional Amendment adopted on November 6, 1956, shall be credited to said Veterans' Land Fund and may be used for the purpose of purchasing additional lands, to be sold as provided herein, until December 1, 1965; provided, however, that so much of such moneys as may be necessary to pay interest on such bonds shall be set aside for that purpose. After December 1, 1965, all moneys attributable to such bonds shall be set aside for the retirement of such bonds and to pay interest thereon; and when

there are sufficient moneys to retire all of such bonds, all of such moneys then remaining or thereafter becoming a part of said Veterans' Land Fund shall be governed as elsewhere provided herein.

"All of the moneys attributable to any series of bonds hereafter issued and sold by said Board (a "series of bonds" being all of the bonds issued and sold in a single transaction as a single installment of bonds) may be used for the purchase of lands as herein provided, to be sold as herein provided, for a period ending eight years after the date of sale of such series of bonds; provided, however, that so much of such moneys as may be necessary to pay interest on bonds hereafter issued and sold shall be set aside for that purpose in accordance with the resolution adopted by said Board authorizing the issuance and sale of such series of bonds. After such eight year period, all of such moneys shall be set aside for the retirement of any bonds hereafter issued and sold and to pay interest thereon, together with any expenses as provided herein, in accordance with the resolution or resolutions authorizing the issuance and sale of such additional bonds, until there are sufficient moneys to retire all of the bonds hereafter issued and sold, at which time all such moneys then remaining a part of said Veterans' Land Fund and thereafter becoming a part of said Fund shall be governed as elsewhere provided herein.

"This Amendment being intended only to establish a basic framework and not to be a comprehensive treatment of the Veterans' Land Program, there is hereby reposed in the Legislature full power to implement and effectuate the design and objects of this Amendment, including the power to delegate such duties, responsibilities, functions, and authority to the Veterans' Land Board as it believes necessary.

"Should the Legislature enact any enabling laws in anticipation of this Amendment, no such law shall be void by reason of its anticipatory nature.

"This Amendment shall become effective upon its adoption."

Section 2. The foregoing Constitutional Amendment shall be submitted to a vote of the qualified electors of this State at an election to be held on the first Tuesday after the first Monday in November, 1963, at which election all ballots shall have printed thereon the following:

"FOR the Amendment to Section 49-b of Article III of the Constitution of Texas to increase the Veterans' Land Fund by \$150,000,000.00; said Fund to be used for the purpose of purchasing land in Texas to be sold to Texas veterans who served in the Armed Services of the United States between September 16, 1940, and March 31, 1955; such funds to be expended in accordance with instructions and requirements that may be provided by law."; and

"AGAINST the Amendment to Section 49-b of Article III of the Constitution of Texas to increase the Veterans' Land Fund by \$150,000,000.00; said Fund to be used for the purpose of purchasing land in Texas to be sold to Texas veterans of World War II and to Texas veterans of service in the Armed Forces of the United States of America subsequent to 1945; such funds to be expended in accordance with instructions and requirements that may be provided by law."

If it appears from the returns of said election that a majority of the votes cast were in favor of same Amendment, the same shall become a part of the State Constitution and be effective from the date set forth in said Amendment, and the Governor shall issue a proclamation in keeping therewith.

Section 3. The Governor of the State of Texas shall issue the necessary proclamation for said election and shall have the same published as required by the Constitution and Laws of this State.

1 S. J. R. No. 16

By: Moffett,
Schwartz

2
3 (In the Senate - Filed January 23, 1963; January 23, 1963,
4 read first time and referred to Committee on Constitutional
5 Amendments; February 6, 1963, reported favorably, as amended;
6 February 6, 1963, sent to printer.)
7

8 AMENDMENT NO. 1
9

10 Amend S. J. R. No. 16 by striking out all below the enacting
11 clause and substituting in lieu thereof the following:
12

13 "Section 1. That Section 49-b, Article III of the Constitu-
14 tion of Texas, be amended so that the same will hereafter read as
15 follows:

16 "Section 49-b. By virtue of prior Amendments to this
17 Constitution, there has been created a governmental agency of the
18 State of Texas performing governmental duties which has been desig-
19 nated the Veterans' Land Board. Said Board shall continue to
20 function for the purposes specified in all of the prior Constitu-
21 tional Amendments except as modified herein. Said Board shall be
22 composed of the Commissioner of the General Land Office and two
23 citizens of the State of Texas, one of whom shall be well versed
24 in veterans' affairs and one of whom shall be well versed in
25 finances. One such citizen member shall, with the advice and
26 consent of the Senate, be appointed biennially by the Governor to
27 serve for a term of four years; but the members serving on said
28 Board on the date of adoption hereof shall complete the terms to
29 which they were appointed. In the event of the resignation or
30 death of any such citizen member, the Governor shall appoint a
31 replacement to serve for the unexpired portion of the term to
32 which the deceased or resigning member had been appointed. The
33 compensation for said citizen members shall be as is now or may
34 hereafter be fixed by the Legislature; and each shall make bond
35 in such amount as is now or may hereafter be prescribed by the
36 Legislature.

37 "The Commissioner of the General Land Office shall act
38 as Chairman of said Board and shall be the administrator of the
39 Veterans' Land Program under such terms and restrictions as are
40 now or may hereafter be provided by law. In the absence or ill-
41 ness of said Commissioner, the Chief Clerk of the General Land
42 Office shall be the Acting Chairman of said Board with the same
43 duties and powers that said Commissioner would have if present.

44 "The Veterans' Land Board may provide for, issue and
45 sell not to exceed Three Hundred Fifty Million Dollars
46 (\$350,000,000.00) in bonds or obligations of the State of Texas
47 for the purpose of creating a fund to be known as the Veterans'
48 Land Fund, Two Hundred Million Dollars (\$200,000,000.00) of which
49 have heretofore been issued and sold. Such bonds or obligations
50 shall be sold for not less than par value and accrued interest;
51 shall be issued in such forms, denominations, and upon such terms
52 as are now or may hereafter be provided by law; shall be issued
53 and sold at such times, at such places, and in such installments
54 as may be determined by said Board; and shall bear a rate or
55 rates of interest as may be fixed by said Board but the weighted
56 average annual interest rate, as that phrase is commonly and
57 ordinarily used and understood in the municipal bond market, of
58 all the bonds issued and sold in any installment of any bonds may
59 not exceed four and one-half percent (4½%). All bonds or obliga-
60 tions issued and sold hereunder shall, after execution by the
61 Board, approval by the Attorney General of Texas, registration
62 by the Comptroller of Public Accounts of the State of Texas, and
63 delivery to the purchaser or purchasers, be incontestable and
64 shall constitute general obligations of the State of Texas under
65 the Constitution of Texas; and all bonds heretofore issued and

Amendment No. 1 (Continued)

1 sold by said Board are hereby in all respects validated and de-
2 clared to be general obligations of the State of Texas. In order
3 to prevent default in the payment of principal or interest on
4 any such bonds, the Legislature shall appropriate a sufficient
5 amount to pay the same.

6 "In the sale of any such bonds or obligations, a pref-
7 erential right of purchase shall be given to the administrators
8 of the various Teacher Retirement Funds, the Permanent University
9 Funds, and the Permanent School Funds.

10 "Said Veterans' Land Fund shall consist of any lands
11 heretofore or hereafter purchased by said Board, until the sale
12 price therefor, together with any interest and penalties due,
13 have been received by said Board (although nothing herein shall be
14 construed to prevent said Board from accepting full payment for a
15 portion of any tract), and of the moneys attributable to any bonds
16 heretofore or hereafter issued and sold by said Board which moneys
17 so attributable shall include but shall not be limited to the pro-
18 ceeds from the issuance and sale of such bonds; the moneys re-
19 ceived from the sale or resale of any lands, or rights therein,
20 purchased with such proceeds; the moneys received from the sale
21 or resale of any lands, or rights therein, purchased with other
22 moneys attributable to such bonds; the interest and penalties
23 received from the sale or resale of such lands, or rights therein;
24 the bonuses, income, rents, royalties, and any other pecuniary
25 benefit received by said Board from any such lands; sums received
26 by way of indemnity or forfeiture for the failure of any bidder
27 for the purchase of any such bonds to comply with his bid and
28 accept and pay for such bonds or for the failure of any bidder
29 for the purchase of any lands comprising a part of said Fund to
30 comply with his bid and accept and pay for any such lands; and
31 interest received from investments of any such moneys. The
32 principal and interest on the bonds heretofore and hereafter
33 issued by said Board shall be paid out of the moneys of said
34 Fund in conformance with the Constitutional provisions authoriz-
35 ing such bonds; but the moneys of said Fund which are not
36 immediately committed to the payment of principal and interest on
37 such bonds, the purchase of lands as herein provided, or the pay-
38 ment of expenses as herein provided may be invested in bonds or
39 obligations of the United States until such funds are needed for
40 such purposes.

41 "All moneys comprising a part of said Fund and not
42 expended for the purposes herein provided shall be a part of said
43 Fund until there are sufficient moneys therein to retire fully
44 all of the bonds heretofore or hereafter issued and sold by said
45 Board, at which time all such moneys remaining in said Fund,
46 except such portion thereof as may be necessary to retire all
47 such bonds which portion shall be set aside and retained in said
48 Fund for the purpose of retiring all such bonds, shall be de-
49 posited to the credit of the General Revenue Fund to be appro-
50 priated to such purposes as may be prescribed by law. All moneys
51 becoming a part of said Fund thereafter shall likewise be de-
52 posited to the credit of the General Revenue Fund.

53 "When a Division of said Fund (each Division consisting
54 of the moneys attributable to the bonds issued and sold pursuant
55 to a single Constitutional authorization and the lands purchased
56 therewith) contains sufficient moneys to retire all of the bonds
57 secured by such Division, the moneys thereof, except such portion
58 as may be needed to retire all of the bonds secured by such
59 Division which portion shall be set aside and remain a part of
60 such Division for the purpose of retiring all such bonds, may be
61 used for the purpose of paying the principal and the interest
62 thereon, together with the expenses herein authorized, of any other
63 bonds heretofore or hereafter issued and sold by said Board.
64 Such use shall be a matter for the discretion and direction of
65

Amendment No. 1 (Continued)

1 said Board; but there may be no such use of any such moneys contrary
2 to the rights of any holder of any of the bonds issued and sold by
3 said Board or violative of any contract to which said Board is a
4 party.

5 "The Veterans' Land Fund shall be used by said Board for
6 the purpose of purchasing lands situated in the State of Texas
7 owned by the United States or any governmental agency thereof,
8 owned by the Texas Prison System or any other governmental agency
9 of the State of Texas, or owned by any person, firm, or corpora-
10 tion. All lands thus purchased shall be acquired at the lowest
11 price obtainable, to be paid for in cash, and shall be a part of
12 said Fund. Such lands heretofore or hereafter purchased and
13 comprising a part of said Fund are hereby declared to be held for
14 a governmental purpose, although the individual purchasers thereof
15 shall be subject to taxation to the same extent and in the same
16 manner as are purchasers of lands dedicated to the Permanent Free
17 Public School Fund.

18 "The lands of the Veterans' Land Fund shall be sold by
19 said Board in such quantities, on such terms, at such prices, at
20 such rates of interest and under such rules and regulations as
21 are now or may hereafter be provided by law to Texas veterans who
22 served not less than ninety (90) continuous days, unless sooner
23 discharged by reason of a service-connected disability, on active
24 duty in the Army, Navy, Air Force, Coast Guard or Marine Corps of
25 the United States between September 16, 1940, and March 31, 1955,
26 and who upon the date of filing his or her application to purchase
27 any such land is a citizen of the United States, is a bona fide
28 resident of the State of Texas, and has not been dishonorably
29 discharged from any branch of the Armed Forces above named and
30 who at the time of his or her enlistment, induction, commission-
31 ing, or drafting was a bona fide resident of the State of Texas.
32 The foregoing notwithstanding, any lands in the Veterans' Land
33 Fund which have been first offered for sale to veterans and which
34 have not been sold may be sold or resold to such purchasers, in
35 such quantities, and on such terms, and at such prices and rates
36 of interest, and under such rules and regulations as are now or
37 may hereafter be provided by law.

38 "Said Veterans' Land Fund, to the extent of the moneys
39 attributable to any bonds hereafter issued and sold by said Board
40 may be used by said Board, as is now or may hereafter be provided
41 by law, for the purpose of paying the expenses of surveying,
42 monumenting, road construction, legal fees, recordation fees,
43 advertising and other like costs necessary or incidental to the
44 purchase and sale, or resale, of any lands purchased with any of
45 the moneys attributable to such additional bonds, such expenses
46 to be added to the price of such lands when sold, or resold, by
47 said Board; for the purpose of paying the expenses of issuing,
48 selling, and delivering any such additional bonds; and for the
49 purpose of meeting the expenses of paying the interest or principal
50 due or to become due on any such additional bonds.

51 "All moneys attributable to the bonds issued and sold
52 pursuant to the Constitutional Amendment adopted on November 6,
53 1956, shall be credited to said Veterans' Land Fund and may be
54 used for the purpose of purchasing additional lands, to be sold
55 as provided herein, until December 1, 1965; provided, however,
56 that so much of such moneys as may be necessary to pay interest
57 on such bonds shall be set aside for that purpose. After December
58 1, 1965, all moneys attributable to such bonds shall be set aside
59 for the retirement of such bonds and to pay interest thereon; and
60 when there are sufficient moneys to retire all of such bonds, all
61 of such moneys then remaining or thereafter becoming a part of said
62 Veterans' Land Fund shall be governed as elsewhere provided herein.

63 "All of the moneys attributable to any series of bonds
64 hereafter issued and sold by said Board (a "series of bonds" being
65 all of the bonds issued and sold in a single transaction as a

Amendment No. 1 (Continued)

1 single installment of bonds) may be used for the purchase of lands
2 as herein provided, to be sold as herein provided, for a period
3 ending eight (8) years after the date of sale of such series of
4 bonds; provided, however, that so much of such moneys as may be
5 necessary to pay interest on bonds hereafter issued and sold shall
6 be set aside for that purpose in accordance with the resolution
7 adopted by said Board authorizing the issuance and sale of such
8 series of bonds. After such eight (8) year period, all of such
9 moneys shall be set aside for the retirement of any bonds here-
10 after issued and sold and to pay interest thereon, together with
11 any expenses as provided herein, in accordance with the resolution
12 or resolutions authorizing the issuance and sale of such additional
13 bonds, until there are sufficient moneys to retire all of the
14 bonds hereafter issued and sold, at which time all such moneys
15 then remaining a part of said Veterans' Land Fund and thereafter
16 becoming a part of said Fund shall be governed as elsewhere
17 provided herein.

18 "This Amendment being intended only to establish a basic
19 framework and not to be a comprehensive treatment of the Veterans'
20 Land Program, there is hereby reposed in the Legislature full
21 power to implement and effectuate the design and objects of this
22 Amendment, including the power to delegate such duties, responsi-
23 bilities, functions, and authority to the Veterans' Land Board
24 as it believes necessary.

25 "Should the Legislature enact any enabling laws in
26 anticipation of this Amendment, no such law shall be void by
27 reason of its anticipatory nature.

28 "This Amendment shall become effective upon its adoption.

29 "Section 2. The foregoing Constitutional Amendment shall be
30 submitted to a vote of the qualified electors of this State at an
31 election to be held on the first Tuesday after the first Monday
32 in November, 1963, at which election all ballots shall have printed
33 thereon the following:

34 "FOR the Amendment to Section 49-b of Article III of the
35 Constitution of Texas to increase the Veterans' Land Fund by
36 \$150,000,000.00; said Fund to be used for the purpose of purchasing
37 land in Texas to be sold to Texas veterans who served in the Armed
38 Services of the United States between September 16, 1940, and
39 March 31, 1955; such funds to be expended in accordance with in-
40 structions and requirements that may be provided by law."; and

41 "AGAINST the Amendment to Section 49-b of Article III of the
42 Constitution of Texas to increase the Veterans' Land Fund by
43 \$150,000,000.00; said Fund to be used for the purpose of purchasing
44 land in Texas to be sold to Texas veterans who served in the Armed
45 Services of the United States between September 16, 1940, and
46 March 31, 1955; such funds to be expended in accordance with in-
47 structions and requirements that may be provided by law."

48 "If it appears from the returns of said election that a
49 majority of the votes cast were in favor of same Amendment, the
50 same shall become a part of the State Constitution and be effective
51 from the date set forth in said Amendment, and the Governor shall
52 issue a proclamation in keeping therewith.

53 "Section 3. The Governor of the State of Texas shall issue
54 the necessary proclamation for said election and shall have the
55 same published as required by the Constitution and Laws of this
56 State."

57 Krueger
58
59
60
61
62
63
64
65

A JOINT RESOLUTION

PROPOSING an amendment to Section 49-b, Article III of the Constitution of Texas so as to authorize an increase in the total amount of bonds or obligations that may be issued by the Veterans' Land Board to Three Hundred Fifty Million Dollars (\$350,000,000.00); providing for the issuance of said bonds or obligations and the conditions relating thereto and the use of the Veterans' Land Fund; and providing for an election and the issuance of a proclamation therefor.

BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

Section 1. That Section 49-b, Article III of the Constitution of Texas, be amended so that the same will hereafter read as follows:

"Section 49-b. By virtue of prior Amendments to this Constitution, there has been created a governmental agency of the State of Texas performing governmental duties which has been designated the Veterans' Land Board. Said Board shall continue to function for the purposes specified in all of the prior Constitutional Amendments except as modified herein. Said Board shall be composed of the Commissioner of the General Land Office and two citizens of the State of Texas, one of whom shall be well versed in veterans' affairs and one of whom shall be well versed in finances. One such citizen member shall, with the advice and consent of the Senate, be appointed biennially by the Governor to serve for a term of four years; but the members serving on said Board on the date of adoption hereof shall complete the terms to which they were appointed. In the event of the resignation or death of any such citizen member, the Governor shall appoint a replacement to serve for the unexpired portion of the term to which the deceased or resigning member had been appointed. The compensation for said citizen members shall be as is now or may hereafter be fixed by the Legislature; and each shall make bond in such amount as is now or may hereafter be prescribed by the Legislature.

"The Commissioner of the General Land Office shall act as Chairman of said Board and shall be the administrator of the Veterans' Land Program under such terms and restrictions as are now or may hereafter be provided by law. In the absence or illness of said Commissioner, the Chief Clerk of the General Land Office shall be the Acting Chairman of said Board with the same duties and powers that said Commissioner would have if present.

"The Veterans' Land Board may provide for, issue and sell not to exceed Three Hundred Fifty Million Dollars (\$350,000,000.00) in bonds or obligations of the State of Texas for the purpose of creating a fund to be known as the Veterans' Land Fund, Two Hundred Million Dollars (\$200,000,000.00) of which have heretofore been issued and sold. Such bonds or obligations shall be sold for not less than par value and accrued interest; shall be issued in such forms, denominations, and upon such terms as are now or may hereafter be provided by law; shall be issued and sold at such times, at such places, and in such installments as may be determined by said Board; and shall bear a rate or rates of interest as may be fixed by said Board but the weighted average annual interest rate of all the bonds issued and sold in any installment of bonds may not exceed four and one-half percent (4½%). All bonds or obligations issued and sold hereunder shall, after execution by the Board, approval by the Attorney General of Texas, registration by the Comptroller of Public Accounts of the State of

S. J. R. No. 16 (Continued)

1 Texas, and delivery to the purchaser or purchasers, be incontes-
2 table and shall constitute general obligations of the State of
3 Texas under the Constitution of Texas; and all bonds heretofore
4 issued and sold by said Board are hereby in all respects validated
5 and declared to be obligations of the State of Texas. In the event
6 of default in the payment of principal or interest on any such
7 bonds, the Legislature shall appropriate a sufficient amount to
8 pay the same.

9 "In the sale of any such bonds or obligations, a pref-
10 erential right of purchase shall be given to the administrators
11 of the various Teacher Retirement Funds, the Permanent University
12 Funds, and the Permanent School Funds.

13 "Said Veterans' Land Fund shall consist of any lands
14 heretofore or hereafter purchased by said Board, until the sale
15 price therefor, together with any interest and penalties due,
16 have been received by said Board (although nothing herein shall
17 be construed to prevent said Board from accepting full payment
18 for a portion of any tract) and of the moneys attributable to any
19 bonds heretofore or hereafter issued and sold by said Board which
20 moneys so attributable shall include but shall not be limited to
21 the proceeds from the issuance and sale of such bonds; the moneys
22 received from the sale or resale of any lands, or rights therein,
23 purchased with such proceeds; the moneys received from the sale
24 or resale of any lands, or rights therein, purchased with other
25 moneys attributable to such bonds; the interest and penalties
26 received from the sale or resale of such lands, or rights therein;
27 the bonuses, income, rents, royalties, and any other pecuniary
28 benefit received by said Board from any such lands; sums received
29 by way of indemnity or forfeiture for the failure of any bidder
30 for the purchase of any such bonds to comply with his bid and
31 accept and pay for such bonds or for the failure of any bidder
32 for the purchase of any lands comprising a part of said Fund to
33 comply with his bid and accept and pay for any such lands; and
34 interest received from investments of any such moneys. The
35 principal and interest on the bonds heretofore and hereafter
36 issued by said Board shall be paid out of the moneys of said Fund
37 in conformance with the Constitutional provisions authorizing such
38 bonds; but the moneys of said Fund which are not immediately com-
39 mitted to the payment of principal and interest on such bonds,
40 the purchase of lands as herein provided, or the payment of ex-
41 penses as herein provided may be invested in bonds or obligations
42 of the United States until such funds are needed for such purposes.

43 "All moneys comprising a part of said Fund and not ex-
44 pended for the purposes herein provided shall be a part of said
45 Fund until there are sufficient moneys therein to retire fully all
46 of the bonds heretofore or hereafter issued and sold by said Board,
47 at which time all such moneys remaining in said Fund, except such
48 portion thereof as may be necessary to retire all such bonds which
49 portion shall be set aside and retained in said Fund for the pur-
50 pose of retiring all such bonds, shall be deposited to the credit
51 of the General Revenue Fund to be appropriated to such purposes
52 as may be prescribed by law. All moneys becoming a part of said
53 Fund thereafter shall likewise be deposited to the credit of the
54 General Revenue Fund.

55 "When a Division of said Fund (each Division consisting
56 of the moneys attributable to the bonds issued and sold pursuant
57 to a single Constitutional authorization and the lands purchased
58 therewith) contains sufficient moneys to retire all of the bonds
59 secured by such Division, the moneys thereof, except such portion
60 as may be needed to retire all of the bonds secured by such
61 Division which portion shall be set aside and remain a part of such
62 Division for the purpose of retiring all such bonds, may be used
63 for the purpose of paying the principal and the interest thereon,
64 together with the expenses herein authorized, of any other bonds
65 heretofore or hereafter issued and sold by said Board. Such use

S. J. R. No. 16 (Continued)

shall be a matter for the discretion and direction of said Board; but there may be no such use of any such moneys contrary to the rights of any holder of any of the bonds issued and sold by said Board or violative of any contract to which said Board is a party.

"The Veterans' Land Fund shall be used by said Board for the purpose of purchasing lands situated in the State of Texas owned by the United States or any governmental agency thereof, owned by the Texas Prison System or any other governmental agency of the State of Texas, or owned by any person, firm, or corporation. All lands thus purchased shall be acquired at the lowest price obtainable, to be paid for in cash, and shall be a part of said Fund. Such lands heretofore or hereafter purchased and comprising a part of said Fund are hereby declared to be held for a governmental purpose, although the individual purchasers thereof shall be subject to taxation to the same extent and in the same manner as are purchasers of lands dedicated to the Permanent Free Public School Fund.

"The lands of the Veterans' Land Fund shall be sold by said Board in such quantities, on such terms, at such prices, at such rates of interest and under such rules and regulations as are now or may hereafter be provided by law to Texas veterans who served not less than ninety (90) continuous days, unless sooner discharged by reason of a service-connected disability, on active duty in the Army, Navy, Air Force, Coast Guard or Marine Corps of the United States between September 16, 1940, and March 31, 1955, and who upon the date of filing his or her application to purchase any such land is a citizen of the United States, is a bona fide resident of the State of Texas, and has not been dishonorably discharged from any branch of the Armed Forces above enumerated and who at the time of his or her enlistment, induction, commissioning, or drafting was a bona fide resident of the State of Texas. The foregoing notwithstanding, any lands in the Veterans' Land Fund which have been first offered for sale to veterans and which have not been sold may be sold or resold to such purchasers, in such quantities, and on such terms, and at such prices and rates of interest, and under such rules and regulations as are now or may hereafter be provided by law.

"Said Veterans' Land Fund, to the extent of the moneys attributable to any bonds hereafter issued and sold by said Board may be used by said Board, as is now or may hereafter be provided by law, for the purpose of paying the expenses of surveying, monumenting, road construction, legal fees, recordation fees, advertising and other like costs necessary or incidental to the purchase and sale, or resale, of any lands purchased with any of the moneys attributable to such additional bonds, such expenses to be added to the price of such lands when sold, or resold, by said Board; for the purpose of paying the expenses of issuing, selling, printing, and delivering any such additional bonds; and for the purpose of meeting the expenses of paying the interest or principal due or to become due on any such additional bonds.

"All moneys attributable to the bonds issued and sold pursuant to the Constitutional Amendment adopted on November 6, 1956, shall be credited to said Veterans' Land Fund and may be used for the purpose of purchasing additional lands, to be sold as provided herein, until December 1, 1965; provided, however, that so much of such moneys as may be necessary to pay interest on such bonds shall be set aside for that purpose. After December 1, 1965, all moneys attributable to such bonds shall be set aside for the retirement of such bonds and to pay interest thereon; and when there are sufficient moneys to retire all of such bonds, all of such moneys then remaining or thereafter becoming a part of said Veterans' Land Fund shall be governed as elsewhere provided herein.

"All of the moneys attributable to any series of bonds hereafter issued and sold by said Board (a "series of bonds" being all of the bonds issued and sold in a single transaction as a

S. J. R. No. 16 (Continued)

single installment of bonds) may be used for the purchase of lands as herein provided, to be sold as herein provided, for a period ending eight years after the date of sale of such series of bonds; provided, however, that so much of such moneys as may be necessary to pay interest on bonds hereafter issued and sold shall be set aside for that purpose in accordance with the resolution adopted by said Board authorizing the issuance and sale of such series of bonds. After such eight year period, all of such moneys shall be set aside for the retirement of any bonds hereafter issued and sold and to pay interest thereon, together with any expenses as provided herein, in accordance with the resolution or resolutions authorizing the issuance and sale of such additional bonds, until there are sufficient moneys to retire all of the bonds hereafter issued and sold, at which time all such moneys then remaining a part of said Veterans' Land Fund and thereafter becoming a part of said Fund shall be governed as elsewhere provided herein.

"This Amendment being intended only to establish a basic framework and not to be a comprehensive treatment of the Veterans' Land Program, there is hereby reposed in the Legislature full power to implement and effectuate the design and objects of this Amendment, including the power to delegate such duties, responsibilities, functions, and authority to the Veterans' Land Board as it believes necessary.

"Should the Legislature enact any enabling laws in anticipation of this Amendment, no such law shall be void by reason of its anticipatory nature.

"This Amendment shall become effective upon its adoption."

Section 2. The foregoing Constitutional Amendment shall be submitted to a vote of the qualified electors of this State at an election to be held on the first Tuesday after the first Monday in November, 1963, at which election all ballots shall have printed thereon the following:

"FOR the Amendment to Section 49-b of Article III of the Constitution of Texas to increase the Veterans' Land Fund by \$150,000,000.00; said Fund to be used for the purpose of purchasing land in Texas to be sold to Texas veterans who served in the Armed Services of the United States between September 16, 1940, and March 31, 1955; such funds to be expended in accordance with instructions and requirements that may be provided by law."; and

"AGAINST the Amendment to Section 49-b of Article III of the Constitution of Texas to increase the Veterans' Land Fund by \$150,000,000.00; said Fund to be used for the purpose of purchasing land in Texas to be sold to Texas veterans of World War II and to Texas veterans of service in the Armed Forces of the United States of America subsequent to 1945; such funds to be expended in accordance with instructions and requirements that may be provided by law."

If it appears from the returns of said election that a majority of the votes cast were in favor of same Amendment, the same shall become a part of the State Constitution and be effective from the date set forth in said Amendment, and the Governor shall issue a proclamation in keeping therewith.

Section 3. The Governor of the State of Texas shall issue the necessary proclamation for said election and shall have the same published as required by the Constitution and Laws of this State.

Hon. Preston Smith
President of the Senate

Austin, Texas
February 6, 1963


Sir: We, your Committee on Constitutional Amendments, to whom was referred SJR No. 16, have had the same under consideration, and we are instructed to report it back to the Senate with the recommendation that it do pass, as amended, and be printed.

Rogers, Chairman

Austin, Texas
Feb. 6, 1963

Hon. Preston Smith
President of the Senate
Sir:

We, your Committee on Constitutional Amendments,
to whom was referred ^{SJR} ~~Ex~~ No. 16, have had the same under
consideration, and we are instructed to report it back to the
Senate with the recommendation that it do _____
pass _____ and be _____ printed.
As amended

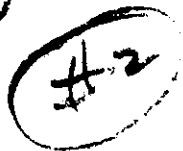

ROGERS

Chairman

Amend caption to conform to body
of bill.

ADOPTED

MAR 5 1963



SECRETARY OF SENATE

By: Moffett, Schwartz

S. J. R. No. 16

A JOINT RESOLUTION

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caption
OK*
Proposing an amendment to Section 49-b, Article III of the
Constitution of Texas so as to authorize an increase in the total
amount of bonds or obligations that may be issued by the
Veterans' Land Board to Three Hundred Fifty Million Dollars
(\$350,000,000.00); providing for the issuance of said bonds or
obligations and the conditions relating thereto and the use of the
Veterans' Land Fund; and providing for an election and the issuance
of a proclamation therefor.

BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

Section 1. That Section 49-b, Article III of the
Constitution of Texas, be amended so that the same will hereafter
read as follows:

"Section 49-b. By virtue of prior Amendments to this
Constitution, there has been created a governmental agency of the
State of Texas performing governmental duties which has been
designated the Veterans' Land Board. Said Board shall continue to
function for the purposes specified in all of the prior
Constitutional Amendments except as modified herein. Said Board
shall be composed of the Commissioner of the General Land Office
and two (2) citizens of the State of Texas, one (1) of whom shall be
well versed in veterans' affairs and one (1) of whom shall be well
versed in finances. One (1) such citizen member shall, with the
advise and consent of the Senate, be appointed biennially by the
Governor to serve for a term of four (4) years; but the members
serving on said Board on the date of adoption hereof shall complete
the terms to which they were appointed. In the event of the
resignation or death of any such citizen member, the Governor shall

appoint a replacement to serve for the unexpired portion of the term to which the deceased or resigning member had been appointed. The compensation for said citizen members shall be as is now or may hereafter be fixed by the Legislature; and each shall make bond in such amount as is now or may hereafter be prescribed by the Legislature.

"The Commissioner of the General Land Office shall act as Chairman of said Board and shall be the administrator of the Veterans' Land Program under such terms and restrictions as are now or may hereafter be provided by law. In the absence or illness of said Commissioner, the Chief Clerk of the General Land Office shall be the Acting Chairman of said Board with the same duties and powers that said Commissioner would have if present.

"The Veterans' Land Board may provide for, issue and sell not to exceed Three Hundred Fifty Million Dollars (\$350,000,000.00) in bonds or obligations of the State of Texas for the purpose of creating a fund to be known as the Veterans' Land Fund, Two Hundred Million Dollars (\$200,000,000.00) of which have heretofore been issued and sold. Such bonds or obligations shall be sold for not less than par value and accrued interest; shall be issued in such forms, denominations, and upon such terms as are now or may hereafter be provided by law; shall be issued and sold at such times, at such places, and in such installments as may be determined by said Board; and shall bear a rate or rates of interest as may be fixed by said Board but the weighted average annual interest rate, as that phrase is commonly and ordinarily used and understood in the municipal bond market, of all the bonds

issued and sold in any installment of any bonds may not exceed four and one-half percent ($4\frac{1}{2}\%$). All bonds or obligations issued and sold hereunder shall, after execution by the Board, approval by the Attorney General of Texas, registration by the Comptroller of Public Accounts of the State of Texas, and delivery to the purchaser or purchasers, be incontestable and shall constitute general obligations of the State of Texas under the Constitution of Texas; and all bonds heretofore issued and sold by said Board are hereby in all respects validated and declared to be general obligations of the State of Texas. In order to prevent default in the payment of principal or interest on any such bonds, the Legislature shall appropriate a sufficient amount to pay the same.

"In the sale of any such bonds or obligations, a preferential right of purchase shall be given to the administrators of the various Teacher Retirement Funds, the Permanent University Funds, and the Permanent School Funds.

"Said Veterans' Land Fund shall consist of any lands heretofore or hereafter purchased by said Board, until the sale price therefor, together with any interest and penalties due, have been received by said Board (although nothing herein shall be construed to prevent said Board from accepting full payment for a portion of any tract), and of the moneys attributable to any bonds heretofore or hereafter issued and sold by said Board which moneys so attributable shall include but shall not be limited to the proceeds from the issuance and sale of such bonds; the moneys received from the sale or resale of any lands, or rights therein, purchased with such proceeds; the moneys received from the sale or

resale of any lands, or rights therein, purchased with other moneys attributable to such bonds; the interest and penalties received from the sale or resale of such lands, or rights therein; the bonuses, income, rents, royalties, and any other pecuniary benefit received by said Board from any such lands; sums received by way of indemnity or forfeiture for the failure of any bidder for the purchase of any such bonds to comply with his bid and accept and pay for such bonds or for the failure of any bidder for the purchase of any lands comprising a part of said Fund to comply with his bid and accept and pay for any such lands; and interest received from investments of any such moneys. The principal and interest on the bonds heretofore and hereafter issued by said Board shall be paid out of the moneys of said Fund in conformance with the Constitutional provisions authorizing such bonds; but the moneys of said Fund which are not immediately committed to the payment of principal and interest on such bonds, the purchase of lands as herein provided, or the payment of expenses as herein provided may be invested in bonds or obligations of the United States until such funds are needed for such purposes.

"All moneys comprising a part of said Fund and not expended for the purposes herein provided shall be a part of said Fund until there are sufficient moneys therein to retire fully all of the bonds heretofore or hereafter issued and sold by said Board, at which time all such moneys remaining in said Fund, except such portion thereof as may be necessary to retire all such bonds which portion shall be set aside and retained in said Fund for the purpose of retiring all such bonds, shall be deposited to the credit of the General Revenue Fund to be appropriated to such purposes as may be prescribed by law. All moneys becoming a part of said Fund thereafter shall likewise be deposited to the credit of the General Revenue Fund.

"When a Division of said Fund (each Division consisting of the moneys attributable to the bonds issued and sold pursuant to a single Constitutional authorization and the lands purchased therewith) contains sufficient moneys to retire all of the bonds secured by such Division, the moneys thereof, except such portion as may be needed to retire all of the bonds secured by such Division which portion shall be set aside and remain a part of such Division for the purpose of retiring all such bonds, may be used for the purpose of paying the principal and the interest thereon, together with the expenses herein authorized, of any other bonds heretofore or hereafter issued and sold by said Board. Such use shall be a matter for the discretion and direction of said Board; but there may be no such use of any such moneys contrary to the rights of any holder of any of the bonds issued and sold by said Board or violative of any contract to which said Board is a party._____

"The Veterans' Land Fund shall be used by said Board for the purpose of purchasing lands situated in the State of Texas owned by the United States or any governmental agency thereof, owned by the Texas Prison System or any other governmental agency of the State of Texas, or owned by any person, firm, or corporation. All lands thus purchased shall be acquired at the lowest price obtainable, to be paid for in cash, and shall be a part of said Fund. Such lands heretofore or hereafter purchased and comprising a part of said Fund are hereby declared to be held for a governmental purpose, although the individual purchasers thereof shall be subject to taxation to the same extent and in the same manner as are purchasers of lands dedicated to the Permanent Free Public School Fund._____

"The lands of the Veterans' Land Fund shall be sold by said Board in such quantities, on such terms, at such prices, at such rates of interest and under such rules and regulations as are now or may hereafter be provided by law to Texas veterans who served not less than ninety (90) continuous days, unless sooner discharged by reason of a service-connected disability, on active duty in the Army, Navy, Air Force, Coast Guard or Marine Corps of the United States between September 16, 1940, and March 31, 1955, and who upon the date of filing his or her application to purchase any such land is a citizen of the United States, is a bona fide resident of the State of Texas, and has not been dishonorably discharged from any branch of the Armed Forces above-named and who at the time of his or her enlistment, induction, commissioning, or drafting was a bona fide resident of the State of Texas. The foregoing notwithstanding, any lands in the Veterans' Land Fund which have been first offered for sale to veterans and which have not been sold may be sold or resold to such purchasers, in such quantities, and on such terms, and at such prices and rates of interest, and under such rules and regulations as are now or may hereafter be provided by law.

"Said Veterans' Land Fund, to the extent of the moneys attributable to any bonds hereafter issued and sold by said Board may be used by said Board, as is now or may hereafter be provided by law, for the purpose of paying the expenses of surveying, monumenting, road construction, legal fees, recordation fees, advertising and other like costs necessary or incidental to the purchase and sale, or resale, of any lands purchased with any of the moneys attributable to such additional bonds, such expenses to be added to the price of such lands when sold, or resold, by said

Board; for the purpose of paying the expenses of issuing, selling, and delivering any such additional bonds; and for the purpose of meeting the expenses of paying the interest or principal due or to become due on any such additional bonds.

"All moneys attributable to the bonds issued and sold pursuant to the Constitutional Amendment adopted on November 6, 1956, shall be credited to said Veterans' Land Fund and may be used for the purpose of purchasing additional lands, to be sold as provided herein, until December 1, 1965; provided, however, that so much of such moneys as may be necessary to pay interest on such bonds shall be set aside for that purpose. After December 1, 1965, all moneys attributable to such bonds shall be set aside for the retirement of such bonds and to pay interest thereon; and when there are sufficient moneys to retire all of such bonds, all of such moneys then remaining or thereafter becoming a part of said Veterans' Land Fund shall be governed as elsewhere provided herein.

"All of the moneys attributable to any series of bonds hereafter issued and sold by said Board (a 'series of bonds' being all of the bonds issued and sold in a single transaction as a single installment of bonds) may be used for the purchase of lands as herein provided, to be sold as herein provided, for a period ending eight (8) years after the date of sale of such series of bonds; provided, however, that so much of such moneys as may be necessary to pay interest on bonds hereafter issued and sold shall be set aside for that purpose in accordance with the resolution adopted by said Board authorizing the issuance and sale of such series of bonds. After such eight (8) year period, all of such

moneys shall be set aside for the retirement of any bonds here-
after issued and sold and to pay interest thereon, together with
any expenses as provided herein, in accordance with the
resolution or resolutions authorizing the issuance and sale of
such additional bonds, until there are sufficient moneys to retire
all of the bonds hereafter issued and sold, at which time all
such moneys then remaining a part of said Veterans' Land Fund
and thereafter becoming a part of said Fund shall be governed as
elsewhere provided herein.

"This Amendment being intended only to establish a basic
framework and not to be a comprehensive treatment of the
Veterans' Land Program, there is hereby reposed in the
Legislature full power to implement and effectuate the design and
objects of this Amendment, including the power to delegate such
duties, responsibilities, functions, and authority to the
Veterans' Land Board as it believes necessary.

"Should the Legislature enact any enabling laws in
anticipation of this Amendment, no such law shall be void by
reason of its anticipatory nature.

"This Amendment shall become effective upon its adoption."

Sec. 2. The foregoing Constitutional Amendment shall be
submitted to a vote of the qualified electors of this state at an
election to be held on ~~the first Tuesday~~ ^{Saturday} after the first Monday
in November, 1963, at which election all ballots shall have
printed thereon the following:

"FOR the Amendment to Section 49-b of Article III of the
Constitution of Texas to increase the Veterans' Land Fund by
\$150,000,000.00; said Fund to be used for the purpose of

purchasing land in Texas to be sold to Texas veterans who served in the Armed Services of the United States between September 16, 1940, and March 31, 1955; such funds to be expended in accordance with instructions and requirements that may be provided by law"; and_____

"AGAINST the Amendment to Section 49-b of Article III of the Constitution of Texas to increase the Veterans' Land Fund by \$150,000,000.00; said Fund to be used for the purpose of purchasing land in Texas to be sold to Texas veterans who served in the Armed Services of the United States between September 16, 1940, and March 31, 1955; such funds to be expended in accordance with instructions and requirements that may be provided by law."_____

If it appears from the returns of said election that a majority of the votes cast were in favor of same Amendment, the same shall become a part of the State Constitution and be effective from the date set forth in said Amendment, and the Governor shall issue a proclamation in keeping therewith._____

Sec. 3. The Governor of the State of Texas shall issue the necessary proclamation for said election and shall have the same published as required by the Constitution and Laws of this state._____

FORM B

(For favorable reports on bills where committee amendments other than "committee substitutes" are recommended; and for resolutions where committee amendments, including complete substitutes, are recommended.)

COMMITTEE ROOM

Date 5/8/63

HON. BYRON M. TUNNELL

Speaker of the House of Representatives.

Sir:

We, your Committee on Military & Veterans Affairs, to whom was referred SJR No. 16, have had the same under consideration and beg to report back with recommendation that it do pass, as amended, and be _____ printed.

James H. Harding
Chairman.

(In the case of simple and concurrent resolutions the words "and be printed" should be stricken out since resolutions are printed in the Journal when they are first introduced.)

The word "not" should be inserted before "printed" only in case of a local bill reported favorably with amendments and ordered not printed, which is customary for local bills.)

SUBSTITUTE FOR COMMITTEE AMENDMENT NO.1 TO S.J.R. 16.

Amend Committee Amendment No. 1, to read:

"Amend line 32 of page 4, of the printed bill to
read:

"Saturday after the first Monday in November, 1963,
at which election all"

BY Inaegw

DATE MAY 15 1963

READ AND ADOPTED

Read Second Time and passed to
third reading by vote CLERK ayes, noes.

HOUSE OF REPRESENTATIVES

A JOINT RESOLUTION

Proposing an amendment to Section 49-b, Article III of the Constitution of Texas as to authorize an increase in the total amount of bonds or obligations that may be issued by the Veterans' Land Board to Three Hundred Fifty Million Dollars (\$350,000,000.00); providing for the issuance of said bonds or obligations and the conditions relating thereto and the use of the Veterans' Land Fund; and providing for an election and the issuance of a proclamation therefor.

BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF TEXAS:

Section 1. That Section 49-b, Article III of the Constitution of Texas, be amended so that the same will hereafter read as follows:

"Section 49-b. By virtue of prior Amendments to this Constitution, there has been created a governmental agency of the State of Texas performing governmental duties which has been designated the Veterans' Land Board. Said Board shall continue to function for the purposes specified in all of the prior Constitutional Amendments except as modified herein. Said Board shall be composed of the Commissioner of the General Land Office and two (2) citizens of the State of Texas, one (1) of whom shall be well versed in veterans' affairs and one (1) of whom shall be well versed in finances. One (1) such citizen member shall, with the advise and consent of the Senate, be appointed biennially by the Governor to serve for a term of four (4) years; but the members serving on said Board on the date of adoption hereof shall complete the terms to which they were appointed. In the event of the resignation or death of any such citizen member, the Governor shall

appoint a replacement to serve for the unexpired portion of the term to which the deceased or resigning member had been appointed. The compensation for said citizen members shall be as is now or may hereafter be fixed by the Legislature; and each shall make bond in such amount as is now or may hereafter be prescribed by the Legislature.

"The Commissioner of the General Land Office shall act as Chairman of said Board and shall be the administrator of the Veterans' Land Program under such terms and restrictions as are now or may hereafter be provided by law. In the absence or illness of said Commissioner, the Chief Clerk of the General Land Office shall be the Acting Chairman of said Board with the same duties and powers that said Commissioner would have if present.

"The Veterans' Land Board may provide for, issue and sell not to exceed Three Hundred Fifty Million Dollars (\$350,000,000.00) in bonds or obligations of the State of Texas for the purpose of creating a fund to be known as the Veterans' Land Fund, Two Hundred Million Dollars (\$200,000,000.00) of which have heretofore been issued and sold. Such bonds or obligations shall be sold for not less than par value and accrued interest; shall be issued in such forms, denominations, and upon such terms as are now or may hereafter be provided by law; shall be issued and sold at such times, at such places, and in such installments as may be determined by said Board; and shall bear a rate or rates of interest as may be fixed by said Board but the weighted average annual interest rate, as that phrase is commonly and ordinarily used and understood in the municipal bond market, of all the bonds

issued and sold in any installment of any bonds may not exceed four and one-half percent (4½%). All bonds or obligations issued and sold hereunder shall, after execution by the Board, approval by the Attorney General of Texas, registration by the Comptroller of Public Accounts of the State of Texas, and delivery to the purchaser or purchasers, be incontestable and shall constitute general obligations of the State of Texas under the Constitution of Texas; and all bonds heretofore issued and sold by said Board are hereby in all respects validated and declared to be general obligations of the State of Texas. In order to prevent default in the payment of principal or interest on any such bonds, the Legislature shall appropriate a sufficient amount to pay the same.

"In the sale of any such bonds or obligations, a preferential right of purchase shall be given to the administrators of the various Teacher Retirement Funds, the Permanent University Funds, and the Permanent School Funds.

"Said Veterans' Land Fund shall consist of any lands heretofore or hereafter purchased by said Board, until the sale price therefor, together with any interest and penalties due, have been received by said Board (although nothing herein shall be construed to prevent said Board from accepting full payment for a portion of any tract), and of the moneys attributable to any bonds heretofore or hereafter issued and sold by said Board which moneys so attributable shall include but shall not be limited to the proceeds from the issuance and sale of such bonds; the moneys received from the sale or resale of any lands, or rights therein, purchased with such proceeds; the moneys received from the sale or

resale of any lands, or rights therein, purchased with other moneys attributable to such bonds; the interest and penalties received from the sale or resale of such lands; or rights therein; the bonuses, income, rents, royalties, and any other pecuniary benefit received by said Board from any such lands; sums received by way of indemnity or forfeiture for the failure of any bidder for the purchase of any such bonds to comply with his bid and accept and pay for such bonds or for the failure of any bidder for the purchase of any lands comprising a part of said Fund to comply with his bid and accept and pay for any such lands; and interest received from investments of any such moneys. The principal and interest on the bonds heretofore and hereafter issued by said Board shall be paid out of the moneys of said Fund in conformance with the Constitutional provisions authorizing such bonds; but the moneys of said Fund which are not immediately committed to the payment of principal and interest on such bonds, the purchase of lands as herein provided, or the payment of expenses as herein provided may be invested in bonds or obligations of the United States until such funds are needed for such purposes.

"All moneys comprising a part of said Fund and not expended for the purposes herein provided shall be a part of said Fund until there are sufficient moneys therein to retire fully all of the bonds heretofore or hereafter issued and sold by said Board, at which time all such moneys remaining in said Fund, except such portion thereof as may be necessary to retire all such bonds which portion shall be set aside and retained in said Fund for the purpose of retiring all such bonds, shall be deposited to the credit of the General Revenue Fund to be appropriated to such purposes as may be prescribed by law. All moneys becoming a part of said Fund thereafter shall likewise be deposited to the credit of the General Revenue Fund.

"When a Division of said Fund (each Division consisting of the moneys attributable to the bonds issued and sold pursuant to a single Constitutional authorization and the lands purchased therewith) contains sufficient moneys to retire all of the bonds secured by such Division, the moneys thereof, except such portion as may be needed to retire all of the bonds secured by such Division which portion shall be set aside and remain a part of such Division for the purpose of retiring all such bonds, may be used for the purpose of paying the principal and the interest thereon, together with the expenses herein authorized, of any other bonds heretofore or hereafter issued and sold by said Board. Such use shall be a matter for the discretion and direction of said Board; but there may be no such use of any such moneys contrary to the rights of any holder of any of the bonds issued and sold by said Board or violative of any contract to which said Board is a party.

"The Veterans' Land Fund shall be used by said Board for the purpose of purchasing lands situated in the State of Texas owned by the United States or any governmental agency thereof, owned by the Texas Prison System or any other governmental agency of the State of Texas, or owned by any person, firm, or corporation. All lands thus purchased shall be acquired at the lowest price obtainable, to be paid for in cash, and shall be a part of said Fund. Such lands heretofore or hereafter purchased and comprising a part of said Fund are hereby declared to be held for a governmental purpose, although the individual purchasers thereof shall be subject to taxation to the same extent and in the same manner as are purchasers of lands dedicated to the Permanent Free Public School Fund.

"The lands of the Veterans' Land Fund shall be sold by said Board in such quantities, on such terms, at such prices, at such rates of interest and under such rules and regulations as are now or may hereafter be provided by law to Texas veterans who served not less than ninety (90) continuous days, unless sooner discharged by reason of a service-connected disability, on active duty in the Army, Navy, Air Force, Coast Guard or Marine Corps of the United States between September 16, 1940, and March 31, 1955, and who upon the date of filing his or her application to purchase any such land is a citizen of the United States, is a bona fide resident of the State of Texas, and has not been dishonorably discharged from any branch of the Armed Forces above-named and who at the time of his or her enlistment, induction, commissioning, or drafting was a bona fide resident of the State of Texas. The foregoing notwithstanding, any lands in the Veterans' Land Fund which have been first offered for sale to veterans and which have not been sold may be sold or resold to such purchasers, in such quantities, and on such terms, and at such prices and rates of interest, and under such rules and regulations as are now or may hereafter be provided by law.

"Said Veterans' Land Fund, to the extent of the moneys attributable to any bonds hereafter issued and sold by said Board may be used by said Board, as is now or may hereafter be provided by law, for the purpose of paying the expenses of surveying, monumenting, road construction, legal fees, recordation fees, advertising and other like costs necessary or incidental to the purchase and sale, or resale, of any lands purchased with any of the moneys attributable to such additional bonds, such expenses to be added to the price of such lands when sold, or resold, by said

Board; for the purpose of paying the expenses of issuing, selling, and delivering any such additional bonds; and for the purpose of meeting the expenses of paying the interest or principal due or to become due on any such additional bonds.

"All moneys attributable to the bonds issued and sold pursuant to the Constitutional Amendment adopted on November 6, 1956, shall be credited to said Veterans' Land Fund and may be used for the purpose of purchasing additional lands, to be sold as provided herein, until December 1, 1965; provided, however, that so much of such moneys as may be necessary to pay interest on such bonds shall be set aside for that purpose. After December 1, 1965, all moneys attributable to such bonds shall be set aside for the retirement of such bonds and to pay interest thereon; and when there are sufficient moneys to retire all of such bonds, all of such moneys then remaining or thereafter becoming a part of said Veterans' Land Fund shall be governed as elsewhere provided herein.

"All of the moneys attributable to any series of bonds hereafter issued and sold by said Board (a 'series of bonds' being all of the bonds issued and sold in a single transaction as a single installment of bonds) may be used for the purchase of lands as herein provided, to be sold as herein provided, for a period ending eight (8) years after the date of sale of such series of bonds; provided, however, that so much of such moneys as may be necessary to pay interest on bonds hereafter issued and sold shall be set aside for that purpose in accordance with the resolution adopted by said Board authorizing the issuance and sale of such series of bonds. After such eight (8) year period, all of such

moneys shall be set aside for the retirement of any bonds hereafter issued and sold and to pay interest thereon, together with any expenses as provided herein, in accordance with the resolution or resolutions authorizing the issuance and sale of such additional bonds, until there are sufficient moneys to retire all of the bonds hereafter issued and sold, at which time all such moneys then remaining a part of said Veterans' Land Fund and thereafter becoming a part of said Fund shall be governed as elsewhere provided herein.

"This Amendment being intended only to establish a basic framework and not to be a comprehensive treatment of the Veterans' Land Program, there is hereby reposed in the Legislature full power to implement and effectuate the design and objects of this Amendment, including the power to delegate such duties, responsibilities, functions, and authority to the Veterans' Land Board as it believes necessary.

"Should the Legislature enact any enabling laws in anticipation of this Amendment, no such law shall be void by reason of its anticipatory nature.

"This Amendment shall become effective upon its adoption."

Sec. 2. The foregoing Constitutional Amendment shall be submitted to a vote of the qualified electors of this state at an election to be held on the first Saturday after the first Monday in November, 1963, at which election all ballots shall have printed thereon the following:

"FOR the Amendment to Section 49-b of Article III of the Constitution of Texas to increase the Veterans' Land Fund by \$150,000,000.00; said Fund to be used for the purpose of

purchasing land in Texas to be sold to Texas veterans who served in the Armed Services of the United States between September 16, 1940, and March 31, 1955; such funds to be expended in accordance with instructions and requirements that may be provided by law"; and

"AGAINST the Amendment to Section 49-b of Article III of the Constitution of Texas to increase the Veterans' Land Fund by \$150,000,000.00; said Fund to be used for the purpose of purchasing land in Texas to be sold to Texas veterans who served in the Armed Services of the United States between September 16, 1940, and March 31, 1955; such funds to be expended in accordance with instructions and requirements that may be provided by law."

If it appears from the returns of said election that a majority of the votes cast were in favor of same Amendment, the same shall become a part of the State Constitution and be effective from the date set forth in said Amendment, and the Governor shall issue a proclamation in keeping therewith.

Sec. 3. The Governor of the State of Texas shall issue the necessary proclamation for said election and shall have the same published as required by the Constitution and Laws of this state.

S. J. R. No. 16

Lieutenant Governor
President of the Senate

Speaker of the House

I hereby certify that S. J. R. No. 16 passed the Senate on March 5, 1963, by the following vote: Yeas 31, Nays 0; May 20, 1963, Senate concurred in House amendment by the following vote: Yeas 30, Nays 0.

Secretary of the Senate

I hereby certify that S. J. R. No. 16 passed the House on May 15, 1963, with amendment, by the following vote: Yeas 134, Nays 8.

Chief Clerk of the House

Approved:

Date

Governor

FILED IN THE OFFICE OF THE
SECRETARY OF STATE

9:30

10 O'CLOCK a. m.

MAY 30 1963

Charles C. Martin
Secretary of State

S. J. R. No. _____

BY: _____

A JOINT RESOLUTION

PROPOSING an amendment to Section 49-b, Article III of the Constitution of Texas so as to authorize an increase in the total amount of bonds or obligations that may be issued by the Veterans' Land Board to Three Hundred Fifty Million Dollars (\$350,000,000.00); providing for the issuance of said bonds or obligations and the conditions relating thereto and the use of the Veterans' Land Fund; and providing for an election and the issuance of a proclamation therefor.

Chief Clerk

MAR 5 1963

Regular order of business and Senate Rule 116 and Sec. 5, Art. III of the Constitution suspended by vote of 29 yeas, 1 nays, to permit consideration.

MAR 5 1963

READ SECOND TIME, amended
AND ORDERED ENGROSSED

MAR 5 1963

Amend caption to conform to body of bill.

MAR 5 1963

Senate Rule 32 and 45,
Constitutional Rule (Sec. 32, Art. III) suspended by a vote of 31 yeas, 0 nays, to place bill on third reading and final passage.

MAR 5 1963

READ THIRD TIME AND PASSED
BY THE FOLLOWING VOTE:

Yeas 31 Nays 0

Charles Schnabel
Secretary of the Senate

3-5-1963 Engrossed
Essie M. Ginn
Engrossing Clerk

S. J. R. No. 16

BY:

Moffett
Schwartz

A JOINT RESOLUTION

PROPOSING an amendment to Section 49-b, Article III of the Constitution of Texas so as to authorize an increase in the total amount of bonds or obligations that may be issued by the Veterans' Land Board to Three Hundred Fifty Million Dollars (\$350,000,000.00); providing for the issuance of said bonds or obligations and the conditions relating thereto and the use of the Veterans' Land Fund; and providing for an election and the issuance of a proclamation therefor.

JAN 23 1963

Read first time
and referred to Committee
on Constitutional

Amendments

FEB 6 1963

Reported Favorably,
as amended

By: Moffett
Schwartz

S. J. R. No. 16

A JOINT RESOLUTION

Proposing an amendment to Section 49-b, Article III of the Constitution of Texas so as to authorize an increase in the total amount of bonds or obligations that may be issued by the Veterans' Land Board to Three Hundred Fifty Million Dollars (\$350,000,000.00); providing for the issuance of said bonds or obligations and the conditions relating thereto and the use of the Veterans' Land Fund; and providing for an election and the issuance of a proclamation therefor.

- 1-23-63 Read first time and referred to Committee on Constitutional Amendments.
- 2- 6-63 Reported favorably, as amended.
- 3- 5-63 Regular order of business and Senate Rule 116 and Sec. 5, Art. III of the Constitution suspended by vote of 29 Yeas, 1 Nay, to permit consideration.
- 3- 5-63 Read second time, amended, and ordered engrossed.
- 3- 5-63 Amend caption to conform to body of bill.
- 3- 5-63 Senate Rule 32 and 45, and Constitutional Rule (Sec. 32, Art. III) suspended by a vote of 31 Yeas, 0 Nays, to place bill on third reading and final passage.
- 3- 5-63 Read third time and passed by the following vote: Yeas 31, Nays 0.

Charles Schnabel, Secretary of the Senate

- 3- 5-63 Engrossed.

Essie McGinnis

ENGROSSING CLERK

MAR - 6 1963

SENT TO HOUSE

MAR 6 - 1963

Received from
the Senate.

Dorothy Hallman

Chief Clerk, House of Representatives

MAR 7 1963

READ 1st TIME
AND REFERRED TO COMMITTEE ON

Constitutional Amendments

MAY 8 - 1963

*Motion to suspend all
necessary rules to
consider, prevailed by
vote of 122 yeas, 23 nays.*

MAY 8 1963

REPORTED FAVORABLY
AS AMENDED

MAY 8 1963

MAY 8 1963

SENT TO PRINTER

P.M.

Dorothy Hallman

Chief Clerk, House of Representatives

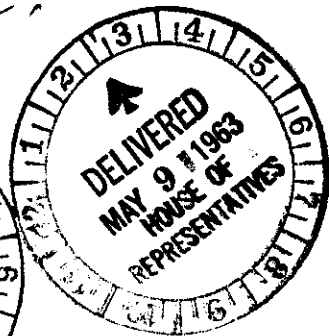
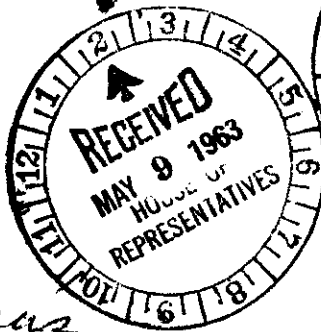
MAY 8 - 1963

RE-REFER TO COMMITTEE

*on Military & Veterans
Affairs*

Dorothy Hallman

Chief Clerk, House of Representatives



MAY 9 1963

RETURNED FROM PRINTER. SENT TO SPEAKER

MAY 15 1963

Amended
Read Second Time *and finally adopted* and passed to
third reading by vote *134* ayes, *8* noes.

Dorothy Hallman

Chief Clerk, House of Representatives

MAY 15 1963
RETURNED TO SENATE

MAY 15 1963

RETURNED _____
FROM HOUSE
(with amendments)

MAY 20 1963

Senate concurred in House amend-
ments by the following vote: *30*
yeas, *0* nays.